



# News Release

Feb. 7, 2020  
Nippon Steel Corporation

## Notice of Voluntary Return of Part of Director and Officer Compensation

Members of the Board of Directors and executive officers of Nippon Steel Corporation ("Nippon Steel") have agreed to voluntarily return part of their compensation in light of the revised consolidated financial forecasts for the fiscal year ending March 2020 that was announced in the "Announcement of Revision in Forecasts for Performance" today.

The compensation of the members of the Board of Directors and executive officers of Nippon Steel is all based upon the financial performance of Nippon Steel in order to provide incentives for Nippon Steel Group's sustainable growth and improvement of its corporate value. Specifically, the base amount of compensation is set for each rank of members of the Board of Directors and executive officers, and is varied in late June of each year within a specific range based on Nippon Steel's consolidated results (including impairment losses and other factors) for the previous year to determine the amount of compensation for the period from July to June of the following year.

Based on these policies on the determination of compensation and if the revised consolidated financial forecasts for the fiscal year ending March 2020 that were announced today were used to revise the amount of compensation of the members of the Board of Directors and executive officers for the next term, which will be linked to the financial results of this fiscal year, the revised compensation for the next term beginning July 2020 would be reduced from the current compensation by over 40% for Chairman and President, nearly 40% for Executive Vice Presidents, over 30% for Managing Directors and Managing Executive Officers, and nearly 30% for Executive Officers. The amount of compensation will be officially determined by the Board of Directors after discussion at the "Nomination and Compensation Advisory Committee," which is comprised of Chairman, President, and three outside board members.

Ahead of such reduction in compensation and as a display of the management stance of the current members of the Board of Directors and executive officers, who are responsible for the company's performance for this term, an immediate return of part of their compensation has been decided as follows:

- Those returning compensation  
Representative Directors (Chairman, President, and Executive Vice Presidents); Managing Directors; Managing Executive Officers; and Executive Officers
- Rate of amount returned by rank (compared to the present compensation, annualized)  
Chairman and President: 20%  
Executive Vice Presidents, Managing Directors, and Managing Executive Officers: 15%  
Executive Officers: 10%

Nippon Steel is determined to make company-wide efforts to overcome this unprecedented crisis.

End

For inquiries

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